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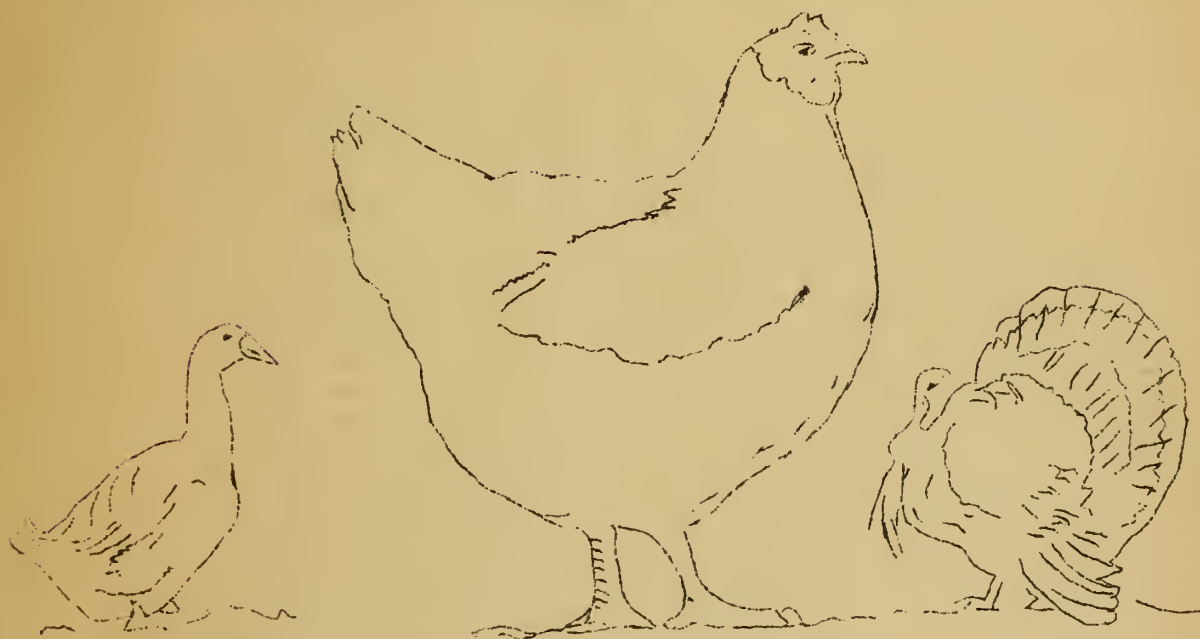


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# ARKANSAS

## Poultry and Egg Conference



U.S. Food Distribution Administration

MAY 10, 11 1943

LITTLE ROCK, ARKANSAS



Those in attendance at the Arkansas State Egg and Poultry Meeting held May 10 and 11, 1943, in the Liberty Room of the Lafayette Hotel were as follows:

J. L. Eidsen  
 Willis Johnson  
 J. M. McClintock  
 Dr. J. S. Campbell  
 L. S. Chico  
 Fred A. Smith  
 Alma Keys  
 Frances Bailey  
 Earl G. Landers  
 J. A. Niven  
 T. ... White  
 O. J. Seymour  
 Ford Archer  
 John M. Bransford  
 J. Carmen Thomas  
 Ruth R. Graham  
 Margaret R. Ferguson  
 William A. Kunze  
 Mrs. Alice A. Owen  
 Mrs. Juanise S. Johnson  
 Marthell Scoggin  
 J. V. Highfill  
 Claude Woolsey  
 Jodie Anderson  
 Eugene Davis  
 Estel E. Sparlin  
 Lee Cazort, Jr.  
 Robert P. Hall  
 A. C. London  
 Ehlrene Rowden  
 J. O. Kumpo  
 Mrs. Lila B. Dickenson  
 Sam Moore  
 Waldo Frazier  
 Hazel Bratley  
 P. W. Carlson  
  
 C. U. Robinson  
 Hoyte N. Rowland  
 Elston S. Leonard  
 S. W. Rogers  
 L. C. Baber  
 Latham White  
 Melvin M. Buster  
 W. K. Dunlap  
 Gladys M. Langford  
 Mohn Balding  
 David T. Northcutt

Arkansas Central Poultry & Marketing  
 Food Industry Committee - Food Broker  
 Arkansas Central Cooperative Association  
 State Veterinarian  
 Little Rock, Arkansas  
 Commissioner, Vocational Education  
 Vocational Education  
 State Department of Education  
 District Supervisor, Vocational Agri.  
 District Supervisor, Vocational Agri.  
 District Supervisor, Vocational Agri.  
 Vocational Training Program  
 Vocational Training Program  
 Agri. & Industrial Commission  
 Agricultural Agent, Rock Island R. R.  
 Associate State Director, F. S. A.  
 Associate State Director, F. S. A.  
 Asst. Chief, Cooperative Section, FSA  
 Associate District Supervisor, FSA  
 Associate District Supervisor, FSA  
 Associate District Supervisor, FSA  
 State Director, Farm Security Adm.  
 Cooperative Section, F. S. A.  
 Asst. State Director, F. S. A.  
 District Manager, Office Defense Trans.  
 Price Officer, O. P. A.  
 District Attorney, OPA  
 District Director, OPA  
 Price Specialist, Foods Section, O.P.A.  
 Information Representative, O. P. A.  
 Agricultural Extension Service  
 Extension Economist, Home Management, AES  
 Extension Service, Fayetteville  
 Farm Bureau Federation  
 Regional Nutritionist, Food Dist. Adm.  
 Federal State Supervisor, Poultry  
 Food Distribution Administration  
 Agricultural Adjustment Administration  
 Field Auditor, A. A. A.  
 Soil Conservation Service  
 State Hospital, Benton, Arkansas  
 Arkansas Chain Stores Council  
 Assistant Regional Director, FDA  
 Poultry Division, Food Distribution Adm.  
 State Representative, Food Dist. Adm.  
 Food Distribution Administration  
 Area Representative, F. D. A.  
 Area Representative, F. D. A.



ARKANSAS POULTRY AND EGG CONFERENCE  
LAFAYETTE HOTEL (LIBERTY ROOM)  
LITTLE ROCK, ARKANSAS  
May 10 and 11, 1943

Monday, May 10, 1943 - 10:00 A.M.

MR. DUNLAP: If you will refer to your program, you can see who I really am. In addition, it seems this morning, I am the Governor and I am welcoming you all. Furthermore, I am the War Board. Seriously, the Governor was unable to be present this morning and has asked me to do the honors. Since I have said we are very glad to have you we will go on with the rest of the program. The gentlemen who can answer the questions are here.

We have found that at this particular time it is very difficult to decide what is the most important phase of our work. We, in the FDA and, apparently, boys from the OPA both think that our Federal grading and inspection service is pretty good. It is the basis largely, and especially in this state, which determines floor price as well as ceiling, not only of poultry and eggs, but a number of other farm products. We do not think for one minute that we know the entire picture. It is only through these conferences that we can learn what you know and let you know what we think. We have invited to these conferences all the agencies and individuals and commercial parties who are most interested. The consumers themselves have been invited and I see some of their representatives here. We have four primary purposes: we wish to increase production to meet the demands for food material. It is generally agreed that inflation should be controlled. We want our growers to receive all possible assistance and a reasonable price for their products. We have the figures of the BAE showing the total farm income for 1941 as 8.7 billion, compared with 10.2 for 1942, and 13 billion this year. We also think that the essential people in this Food Distribution problem are the processors, wholesalers, retailers and they should receive some assistance and in fact, all the assistance they need to maintain maximum efficiency to see that there is no want.

This is the third of a series of State meetings which have been held in the Southwest Region. These State meetings have followed a Regional Conference of the agencies interested in poultry production, prices and standards. While right this minute we think we are going to have more eggs than we have in the past, rationing of meat and possible rationing of other articles, may increase consumer demand. If that is true, you can see very easily how your supposed surplus is going to be disposed of. Without going too far into the technicalities, I want to say this morning for the boys who have worked on this program in this State on the grading and inspection service and poultry betterment and the rest, we hope from this conference today and tomorrow that we can get and do get concrete suggestions for the education, not only of the trade itself, but for the







consumer, as to why there is a ceiling and why there is a support, why we grade eggs and why we grade poultry. We want those suggestions to come from you.

We have with us this morning Mr. Hall and his assistants from the District Office of the OPA. Mr. Hall - - -

MR. HALL: I think one of the most important programs we have, a joint program, is that of disseminating information. We must educate people still more as to type of things they should buy and prices they should pay. We have quite a number of regulations that are just as complicated as they can be. We have at the present time a new regulation to do away with 25 or 30 old regulations to make it more simple to buy food in stores. We are going to make it so simple that even I can go in a store and make a purchase and know I am not paying over the ceiling. If anyone does violate he will be caught by the consumer. One point consumers do not know; that is, when they buy eggs or poultry or something else is whether they are getting the right grade for the money they are paying, and that is one of the programs we must follow - educating the people. I want to map out for you some of the work that can be done.

We have the State Defense Council and they have done a marvelous job in setting up block systems, throughout the State. We have 79 boards in 75 counties. Each has a price panel and a rationing panel, made up of five to seven persons serving as price aides. These people will be used primarily for education. We are going to make this education so simple than ten year olds can understand it. We are not going to have any legal verbage in it. As far as the OPA and FDA are concerned, we work in very close harmony. We use the same system to carry on the education regarding those things people should buy and grades they should buy as well as the price they should pay. That is the main topic of the conference. I have three men from my office here today. We have a business men's set-up in our office. We feel in our office that two million people in the United States are important and we take care of them to the best of our ability. We have a departmentalized organization. We have a legal department with Lee Cazort as head, a Price Division with Estel Sparlin and under Mr. Sparlin a Foods Division with Mr. A. C. London. When it comes to enforcement we expect to be as easy as possible on the innocent and ignorant person, but when we find a person willfully violating, we are going to crack down hard without respect to person. Mr. London and Mr. Sparlin will talk to you about the prices and ceilings. You will get your specific details from them. I will introduce Mr. Cazort who will talk to you about enforcement.

MR. CAZORT: I am like Mr. Hall there is very little that I can say. I have had very little opportunity to think about what to say. I notice on your program you seem to be interested in the enforcement of OPA regulations and what we intend to do. I think all of you realize the



importance and necessity of enforcing OPA regulations after you have your program well laid out. It is unfair to law-abiding citizens to allow unpatriotic persons to violate regulations with impunity, and we do not intend for a situation such as that to exist. It results in the violator being able to force the law-abiding citizen out of business. Of course, before the legal division or enforcement program can come into play there is a great amount of educational work necessary beforehand. As Mr. Hall told you, it is not our policy or attitude to persecute the innocent. It is the man who has been educated, who knows the regulations and refuses to abide by them that we are interested in in the legal division. The educational program is very necessary and is very important. It is the first plank in the platform of successful operation of all regulations, whether OPA, FDA, etc. Mr. London is going to explain the working arrangement of these regulations and how they operate. My only purpose is to tell you what you can do to help us and what we can do to bring about compliance after the public and industry have been educated.

The Emergency Price Control Act has several enforcement weapons in it. The most serious is criminal prosecution which means indictment or information being filed for an offense against the United States in the U. S. Attorney's Office. Another means of enforcing OPA regulations is by bringing injunction to restrain a person from violating and force them to comply. Another method is the so-called Treble Damage Action. A consumer who buys a commodity and is charged more than ceiling price has the right to bring action in any court against the person to recover damage from that person, recovering three times as much charged or \$50.00, whichever is greater, plus court charges and attorney fees. If the consumer knows he has this legal right when he knows he has been overcharged, it will help us in bringing about compliance with the regulations because the amount of the overcharge is relatively small in comparison with the amount of the penalty connected with the overcharge. We have found a great many consumers are not familiar enough with their rights to bring this Treble Damage Action. It will not be necessary for the consumer to put out court costs and attorneys fees. Another instance of the Treble Damage Action is that the OPA has the right to bring that action against the wholesaler, or processor or shipper at a higher level. The right to bring the action on the part of the Government rests with OPA on sales at levels other than the consumer level. The other provision for enforcement is, of course, by the license revocation proceedings. Every person who sells a commodity is licensed to sell that commodity so long as he obeys the regulations. When we find that a man has violated regulations we have an administrative technique or program of issuing a formal warning notice to that person that he has been found in violation of the OPA regulations involved and that if he repeats that violation subsequent to that warning his license or right to sell that commodity may be revoked by bringing suit in any court. These are the methods that are available. The thing you can do to help us is education of the people to encourage the public to cooperate with their War Price and Rationing Boards, and to obtain information about matters of which they are in doubt and further to encourage





people to report instances of violations to their War Price and Rationing Board or to the District Office of the OPA. By education and by letting people know that the OPA does have within its power the authority and means of enforcing these regulations and that all they have to do is to write us or report to their nearest War Price and Rationing Board, then you will have the public interested and educated in the enforcement of these regulations. It will bring about compliance after the education work has been done.

MR. BUSTER: You are enforcing both the ceiling prices and also as they are correlated with the grades? Assuming you receive a complaint that Grade C eggs may be labeled as such but that they are being sold at Grade A prices. What can you do?

MR. CAZORT: In the first place, we consider upgrading a violation, of course. If you sold a cheaper grade at a higher price, that would be a violation, each grade has its own price. Catching an instance of upgrading is very difficult. About the only way that you can prove upgrading is to get the commodity itself in your possession with the grade marked on it and have some expert to examine the commodity and arrive at the proper conclusion, then use that person as your expert witness. This grading work that you people will be doing is very important. By stamping a wrong letter on a commodity where there is a sale according to grades, a person evades the regulation. Grading work is very, very important, and if you have an instance or proof of upgrading, then you certainly should notify us by all means.

MR. WHITE: In Oklahoma, every package of eggs offered in a retail store is required under OPA to have the grade and size marked on it.

MR. LONDON: That is not entirely correct. The case of eggs must be stamped with the grade, but if eggs are sold outside the case the grade and price should be posted by the eggs at the place of sale. This applies to all eggs.

MR. WHITE: If a retail store has eggs put up in cartons, must each carton be labeled with the grade?

MR. LONDON: Not necessarily.

MR. KUMPE: Do the cartons then not have to be stamped with the grade?

MR. LONDON: No, but the label must be on the case, then list the grade and price with the eggs at place of sale.

MR. KUMPE: The Federal Grading Stations are the only place I have ever seen stamps on eggs anywhere. Every carton coming through the egg grading stations must have the grade stamped on it.



MR. LONDON: Yes that is true, but if the retailer posts egg grade and price at point of sale he is in the clear.

MR. KUMPE: Will you notify the stores immediately of that particular thing? The stores have not been informed on just how to do it. Do the labels not have to be placed on the cartons?

MR. LONDON: You are correct in saying that that should be done. What we can require is that they post grade at the place of sale. If you will notice our community prices are established on large Grade A eggs.

MR. KUMPE: In our schools, for example, they have been interested in it from the standpoint of wanting to know when this was going into effect. When you tell them March 6 was the effective date, they say "nobody is doing it so neither will we. We will just wait until they start enforcing it."

MR. LONDON: When you have come far enough in your educational program so that we could expect to find graded eggs in a representative number of stores in the State then we would come back and enforce this grading thing. There should be a practical method used in this. There is no point in our getting out and putting on an educational drive on graded eggs before you get the people instructed as to what graded eggs mean and get them in the stores. We should not allow a person to do something that they know nothing at all about. In tying the price to the grade, if you tell us that you have advanced far enough in that program then we will make our drive on this. Incidentally, this matter has not been very significant since eggs have been selling under the ceiling but as shortages begin to develop and they are in certain areas now, our job of bringing this message to them is more important.

MR. KUMPE: Is not the matter of grades as important as price?

MR. LONDON: Yes.

MR. KUMPE: Then it has been just as important all the time to make them use the grades.

MR. BUSTER: Won't this thing have to be done more or less at one time? Your responsibility is supposed to be enforcement of grades and prices, isn't that right?

MR. LONDON: Yes, that is right. On the other hand, we are not excusing ourselves at all on this, but price control must be practical. You can not get eggs graded unless you show the farmer he can get more money for them. When eggs begin to move into the market on a graded basis then we can tie the grades and prices together. But it has not been tremendously important until now. Prices of eggs are beginning to move up toward the ceiling and when shortages occur there will be a tendency to move above the ceiling. Now is the time to make our drive on tying grades and prices together.





MR. BUSTER: It is a cooperative responsibility.

MR. HALL: As I told you I was only going to give you an overall picture of the situation, Mr. London here will explain ceilings.

MR. LONDON: Before going into it I want to review a little bit on price control and tell you what happened in egg and poultry markets. As you well know, inflation had become rather oppressive by the middle of May, 1942. Prices had increased so rapidly from March, 1942 to May, 1942, it was determined that it was necessary to do something at a different level. Prior to that time certain controls had been established on basic commodities, and it was thought that this would solve the problem. Consumer prices had advanced far beyond the point anticipated by these people so that on the 18th of May, 1942, prices were not only frozen but rolled back to the March level. The rolling back of a price where the voluntary compliance or cooperation of the seller is required was found to be not too successful, so that the price under the general maximum price level reflected not March, 1942, but May 18, 1942. As time moved on many commodities, even those controlled, continued to increase in price regardless of the freeze that had been instituted. At the time maximum prices were established on commodities under general maximum price regulations, the price of poultry and eggs were not of serious concern. You people who know the poultry industry know that the farmers were getting about 18 cents a pound in February, 1942. It was necessary for them to go to the Department of Agriculture to work for and receive a floor price of about 22¢ a pound for poultry. As the season moved on the price of poultry actually went down somewhat in Arkansas, so that the last week in September, 1942, found the price somewhat less than it had been in March, 1942. However, in other consumer areas the price of poultry and eggs had advanced to such a point that it was necessary to apply the freeze technique at the highest price between September 28 and October 22. This was done by the President, so that the poultry was frozen at the highest point between those periods. Immediately upon freezing of price to the seller in Arkansas the price of poultry began to rise so that in December, 1942, the price was actually higher than it had been in March, 1942. This was made possible through the operation of a well organized "black market" in poultry. Customarily it functioned in this way. A shipper from some unknown point would come to a farmer and load out his poultry and pay the price. These things work this way. Say the price had been established in Northwest Arkansas at 25¢ a pound, if a man comes in and pays a producer 25½¢, then the next producer will ask 27¢, the next asks 29¢, so that we had live poultry in Northwest Arkansas selling as high as 30¢ a lb. We had a broiler producer in Southwest Arkansas who sold 1000 for \$1000.00, each bird a little over 2 pounds. So in December maximum price regulation 269 was issued establishing the price of poultry on a basis poultry had brought on large markets the last week in September. This regulation divided the United States in two areas, the Eastern and Western. Prices were established upon basis of pricing cities, New York in the Eastern part of the U. S. and the large cities on West Coast as basing points over there. Now it has developed that all poultry was priced on delivered basis, and that before a farmer knew what he could sell his poultry for he must know where that poultry was being shipped. He must obtain the



selling price for that grade and subtract freight from that price. The result was that a concern in Northwest Arkansas which has dressing plants at Chicago and Bentonville could pay more money for poultry on a farm in Washington County to be delivered in Chicago than he could for poultry to be delivered at his plant in Bentonville. So far as Sellers were concerned the prices were inflated and were black market prices. We think this thing occurred in the first three months of 1942 when one of our better known shippers in Northwest Arkansas shipped two million pounds - in 1943 one million pounds of poultry - total shipments of live poultry cut in half. Regarding that difficulty, the national office permitted the establishment of base prices at the farm. These prices are computed in exactly the way they were before, but prices as computed becomes price for all sellers and buyers of Arkansas who operate in that particular district, regardless of where it is to be delivered. We still had the problem of establishing the price for every shipping point in Arkansas. Recognizing that problem, we divided the state in four areas, established f.o.b. prices in each of those four areas according to differentials in freight that existed between most of the shipping points in the area and the terminal market. We came out of that with something like this. All of Northwest Arkansas except Bentonville have 26.70 as base price. Bentonville and Washington County have 27¢, the Eastern part of the State and West as far as Boone County with 26.75, around DeQueen and Nashville 26.60 and the three counties in the lower Southeast corner 26.30. If poultry is sold by the farmer at the top base price to the shipper, some allowance must be made for the shipper to get the poultry to market. Otherwise, it would have to be a dressed deal, and the required equipment and machinery is not available at this time.

With establishing of price an allowance was made to the shipper - the shipper established his price in this manner - he takes maximum price which exists on terminal market and adds to that transportation which ranges up to 2¢ a pound. The effect of this has been the diversion of poultry from certain areas to certain other areas. Armour & Company has customarily supplied the Little Rock trade area with a lot of poultry meat in the past. But by shipping poultry which was originally consumed here to Memphis, they net more on the pound. Well, being a business concern, interested in making money, they ship this poultry to Memphis, to Houston, or some other point where these prices prevail. Therefore, we are confronted with this problem - the diversion of poultry from one area to another. In some instances, it is pretty serious. They say Little Rock is about in the worst position of any other area for that commodity. But that is a matter to be worked out, and a tremendous pressure is placed on selling price in poultry industry. Actually every other buyer and seller would make more money if the first sale was made on the ceiling or below the ceiling. We still have farmers in Arkansas who are selling live poultry higher than the legal ceiling. Some of these people have been pleading ignorance, but we think that now no one is ignorant of legal





ceiling prices of poultry in Arkansas, that there is a support price at which he can sell his commodity, that he must sell on grades, that the whole program depends upon his cooperation. I do want you to know that this is a very serious thing. I will add this. By and large the shipper who is established in a State has not been of serious concern to us in this matter. But the itinerant trucker has been a serious problem with us.

QUESTION FROM THE FLOOR: How does that fellow stay in business hauling chickens he bought at black market prices?

MR. LONDON: Say the price was 27¢ on live poultry. Say the price in Indianapolis is 28 $\frac{1}{2}$ ¢. He adds 2¢ which makes it 29 $\frac{1}{2}$ ¢, if he sells on a legitimate market. If he is a wholesaler he gets a 1 $\frac{1}{2}$ ¢ mark up and if a retailer he gets a 21¢ mark up over his original price. So he is operating on a pretty small margin. The only way the man can come out is to sell over his counter at a black market price. Certain stores have posted a price of 25¢ per pound, posting price at live weight. Large chain stores have operated in that way because the housewife is not too much concerned with these things, even though priced in other form than being sold. This particular store sold just as much poultry for \$1.00 but he had the price of a liveweight instead of dressed weight.

Going into the grade situation. As originally set up it provided for broilers, fryers, two grades of roosters, heavy and light, and medium fowl. Farmers said they were so busy they could not spare one-half day every three months so they wanted them all sold at the same price. In Northwest Arkansas and Southwest Arkansas a broiler averages up to three or three and one-half pounds. Broilers that average three pounds will represent more profit than some that represent under two and one-half pounds and some over four pounds. We try to tell farmers they get more for their money if they sell them that way. We recommend that the breakdown be made differently. On the face of it it seems pretty serious. One other thing I want to say about the prices and selling of poultry. These chickens are to be sold on grades. Grade B is one and one-half cents less than A. Grade C 4¢ less. Weight grades are not so significant as in the past.

QUESTION FROM THE FLOOR: Can they sell on head basis instead of weight basis?

MR. LONDON: Chickens are to be sold by pound by grade.

QUESTION FROM THE FLOOR: If they are sold on a basis of yield to wholesalers or disposed of so long as his price will permit the grading and sale within the price ceiling if he wishes to purchase on an understood basis, can he?





MR. LONDON: No. Our regulations say they must be sold by grade. The responsibility of the grading is in the buyer and the seller.

QUESTION FROM THE FLOOR: I would like to know how they arrive at the margin between the poultry at the farm and the ultimate consumer? How they stay in business when they buy at black market prices?

MR. LONDON: They are sold mostly to restaurant or other eating places. Take a restaurant in Indianapolis for example. If they were feeding a lot of people at \$1.50 a plate, they would buy the chickens regardless of the price. This is how margins are established. From the wholesaler to the retailer it is a mark up of  $1\frac{1}{2}$  cents on non-delivered and  $1\frac{3}{4}$  cents on delivered sales. On retailers it is 21% mark up over cost which gives you a price on dressed poultry in Little Rock of 57¢ on broilers.

MR. BUSTER: Will you take a particular grade and give an illustration of mark up on transportation and dressing?

MR. LONDON: In poultry going to New Orleans, the delivered price of live poultry in New Orleans is 29 cents base price. Delivered price to wholesaler is 31¢. The wholesaler will sell live poultry to a retail store, his price would be  $32\frac{3}{4}$  cents if he delivers it to the retailer. The retailer is going to sell the live poultry to the consumer at a 21% mark up, a little over 6¢ making the chicken 39 or 40 cents per pound. Now the same chicken delivered to the wholesaler at 32¢ per pound - he is going to dress it out and sell it as a New York dress. His price reverts back to the established price of  $35\frac{1}{2}$ ¢ per pound for those chickens. He adds a cent and a half which gives him 37¢. He can sell it for only 37¢ dressed. The retailer takes 21% mark up making it sell for 44¢ per pound. Transportation applies until poultry is dressed. When poultry is dressed the 2¢ is forgotten. He cannot use transportation cost in computing the selling price when the chicken is dressed. The farmer may be other than a grower. If the farmer delivers it to a wholesaler at his plant, then he may get  $1\frac{1}{2}$ ¢ more than he would at the farm. If he sells to a consumer at his farm he gets the same price as a retailer.

MR. WHITE: When a farmer sells to a retail store what does he get?

MR. LONDON: He may get  $1\frac{1}{2}$  cents more than base price.

QUESTION FROM THE FLOOR: Are prices based on grades?

MR. LONDON: Yes - Grade A.

QUESTION FROM THE FLOOR: What about small town people who do not know about grades?

MR. BUSTER: That is something we are going to have to settle here.

MR. LONDON: Our regulations say they must be sold by grades.

QUESTION FROM THE FLOOR: Who will be responsible?



MR. LONDON: The seller and buyer. On this grading proposition the seller, up to a certain limit, may do his own grading. He must guarantee his grading. On eggs I think the limit is less than Double A qualities on which he may grade his own commodity. But he must guarantee grades at any time.

QUESTION FROM THE FLOOR: If a producer delivers his poultry to a Cooperative Association who is acting as sales agent, does the Cooperative Association assume the role of a wholesaler?

MR. LONDON: In the poultry industry our definition of a wholesaler is a person who has established a business who sells in wholesale quantities and who makes 75% of his deliveries within 100 miles of his place of business. A cooperative is a shipper. The only difference between shipping price and producing price is that the shippers maximum price is computed as he is the first shipper. The first shipper maximum price is computed by adding 2¢ per pound on base price of market which he is selling. Say, shipping poultry to Memphis at base price is 29¢ plus transportation which would be about 1 $\frac{1}{2}$ ¢ - there's the price your cooperative would sell to a wholesaler.

QUESTION FROM THE FLOOR: Suppose the producer is delivering his chickens to a hotel or restaurant, would they be considered retail?

MR. LONDON: No. A hotel, restaurant, etc. is defined as an institutional user - producers or processors base price plus 1 $\frac{1}{2}$  cents per pound. The farmer is paid 26.75 for his chickens so long as he is a farmer. He can charge according to how he handles them.

QUESTION FROM THE FLOOR: A farmer producing for his own store - what can he get selling on market here in Little Rock?

MR. LONDON: Same price as retailer.

QUESTION FROM THE FLOOR: If they are within thirty miles they do not get a transportation mark up - is that correct?

MR. LONDON: That is right. The transportation allowances range from 3/4 cents to 2 cents per pound. There is no transportation allowance the first 30 miles. 30 to 50 miles 3/4¢, 50 to 100 1¢, 100 to 150 1 $\frac{1}{4}$ ¢, 150 to 200 1 $\frac{3}{4}$ ¢, 200 to 250 1-5/4¢, 250 and above 2¢ per pound. Transportation applies only to live weight and not to dressed poultry.

The freezing of the price of eggs was to divert the eggs from consumers to drying plants so that a great part of the eggs could go into Lend-Lease purchases, and Army. However, it backfired. Actually, we were confronted with a situation, until the flush season started, of eggs being diverted from the drying plants to the consumers through black markets. Essentially



the price of eggs is established by the price paid by the drying plants. All current prices of eggs are established by the price paid by drying plants so long as there is a surplus production. What effect that will have will be through your purchases on the drying plant. In any event, we are approaching the time when we must be concerned with the price for consumer eggs. We are also now becoming concerned about this matter. We have adopted a policy in our office when we think a thing is important we look into it and we don't attempt it until we feel we are ready to do a job. That is what happened in the egg deal. We did not think we were quite ready to begin to talk about grades very much. We have also adopted the policy that every inquiry we have had about eggs we have told them the whole story. We do have the information out to the rationing boards that there are egg grades and eggs must be sold on grades. But we have not pushed the thing as greatly as you people who are trying to develop a grading program have. We are now ready, however, to move into that phase of the Program.

Our emphasis will be placed on both the pricing and grading of eggs. We have been concerned more with the actual producing of eggs than to establish a price. Everything that happens eventually sooner or later comes to the OPA. The maximum price of eggs is established by periods. Price Regulation 333 - This was frozen under temporary price regulation on October 2, and came under direct regulations later than the poultry. Our regulations came in at the same time the price of eggs started down. The maximum price of eggs is established in this manner. You take a base point city. Multiply by transportation, take the difference, and it gives you the price of eggs in any given community. Prices change throughout the year and so does the transportation factor. The prices will follow that of other years. You have high prices in the early fall months.

The price of eggs will decline during the next month then about the middle of July it starts up again. Arkansas egg prices are not consistent with National egg prices in that while we are in a surplus producing region, Arkansas is not a surplus egg producing state. While we are a surplus producing area at certain times of the year, yet we have deficiency periods. We are going to have intense pressure in Arkansas on eggs, but I think if every district office can hold the line that we will not experience a great deal of difficulty.

MR. KUMPE: Pressure will be high on eggs, higher than poultry.

MR. LONDON: Our order asked us to name these things by brand. We deliberately refrained from doing this because we wanted to bring to the attention of the housewife that hereafter she buys the eggs by grade. When we talk about eggs we just say Large Grade A eggs. The ceilings are Large Grade A loose - 47, Carton Grade A large - 49, Loose Grade B Large 45, Carton Grade B Large 47.

QUESTION FROM THE FLOOR: Has any thought been given to selling eggs by the pound?





MR. LONDON: I do not know. There is no reason why they can not. That program, however, is not in keeping with the policy of selling by grade. Another point we have - a country merchant who acts as a collection center for eggs in his community. If he buys for re-sale he is not a retailer. When he sells to retailers he must grade the eggs. I think consumer grades of eggs are all that you are interested in.

QUESTION FROM THE FLOOR: Is there no ceiling on eggs going to drying plants?

MR. LONDON: No.

Afternoon, Monday, 1:30 P.M.

MR. DUNLAP: We have with us today the Assistant Regional Director, Mr. Latham White. Mr. White will talk to you about Food Distribution Orders 40 and 41 and their effect on the egg and poultry situation.

MR. WHITE: The subject assigned to me is a discussion or explanation of the two Food Orders of the FDA affecting eggs. The first order is FDO 40 on Cold Storage Eggs, the second FDO 41 on Set Aside Dry Eggs for Government use. Both orders are directed primarily to wholesalers and dried egg processors rather than to producers. On cold storage of eggs -- what is behind that is primarily assuring that there will be sufficient shell eggs available for those dried egg plants. The FDA in its purchases for Lend-Lease on dried eggs announced a support price that would be paid to dried egg processors. These prices were figured out in relation to the OPA ceiling prices. While there is no stated ceiling price for those shell eggs for dried egg purposes the base price announced for dried eggs works its way down and becomes in effect a ceiling price for those eggs going to the Dried Egg Plants. The plants do not necessarily have to buy all grades. They do have to have a quality egg in that it must be of at least a C grade. Those eggs that go into drying plants do not have to be graded with the A and B and C for the simple reason that the main thing is the minimum quality and the second thing weight. The cold storage order defines what storage is under the order. For example, the term storage means "a room or rooms of a total of 1500 cubic feet or more of storage space and equipped to be refrigerated to a temperature of 40° F. or less." the second problem that comes up on the storage is commercial practice of gathering eggs in some country points and putting them on storage for two or three days until the truck comes by from the wholesaler to take them to a larger town and concentrate them in carload lots. Is that considered cold storage under this order? It is our opinion that when the interpretations comes through it will permit that to be done. It would have to be called a cold storage egg so far. The Order says that on May 31 all eggs in cold storage are frozen and that they cannot be sold to anyone except the Government unless the eggs have been offered to the Government and the Government does not wish to purchase them and gives the man a release. After May 31, all eggs going into cold storage can only after approval has been obtained from the Food Distribution Administration. The system of obtaining that





approval has not yet been announced.

Cold storage warehouses must keep records and make reports. We hope those reports can be worked out so any other Federal Agency can use that same information. The order also provided that a representative of the FDA can go into a man's place of business and check records to see if he is complying. It also provides that there are certain penalties in connection with the order in case the order is not complied with. Our methods of sanitation are the same as OPA.

Now the Dried Egg end of the business. The order provides briefly that all of the dried eggs processed by the spray method will be purchased by the Government, may not be sold for any other purpose. The Army is taking some of the eggs. The order also provides that products made from dried eggs, the amounts of those products may not exceed what was put into civilian use in 1942. There has been quite an increase in consumer demand. "Minimum Points" 1. Dried eggs go to Government. 2. All other by-products limited to what they were in 1942. 3. Drying Plants in Arkansas located at Harrison, Fayetteville and Pocahontas.

I think you will find that they have a market there for the eggs that are produced that is such that you won't need to be bothered with a surplus proposition on eggs this year. You have, instead, increase in the consumer demand which would take care of the surplus. Because there was trouble in the past there was set up in Arkansas this year by the FDA a support price structure organization that could handle it if prices got too low. The farmers know the least they are going to get and the most they are going to get. This support program is operated on a basis of having certain buying stations here in Arkansas. The FDA makes contracts with the people who have grading and storing facilities. Any time the farmer wants to bring his eggs into that station he knows he can get a certain price for that grade egg. The result -- there haven't been any eggs offered. The fact that we have these egg places in this State has largely stabilized the floor price here in Arkansas. It is good for FDA because it does not cost us much money and it is good for the farmer because he knows he can get a good price for his eggs. What we use dried eggs for. Packaged in small packages it takes about 3 dozen shell eggs to make one pound of dried eggs. Naturally it would take that fewer ships to transport the eggs. They are going to England, our Army, other allied armies and used in this country in the army camps. It is estimated that the present capacity of the egg drying plants based on 24 hours a day will yield 24 hundred million pounds a year. Keeping the records and the violations on that sort of thing are just about the same as the cold storage order.

QUESTION FROM THE FLOOR: Is there any possibility of getting a plant in the Southern part of the state?

MR. WHITE: There is a movement, I understand, to get one in the Southern part of the State. We are told that the egg drying capacity is already set up to take care of the expected needs. This should not be taken to mean that if you have a place where you need a plant you should not send the information in and try to get one, but the possibilities are not so good as a year or so ago for getting the plant.



MR. WHITE: We have with us Mr. M. W. Buster, from the Washington Office of the Food Distribution Administration, who will talk to us on "Federal Poultry and Egg Grading Standards" - Mr. Buster.

MR. BUSTER: I want to say first that I am happy to be here with you at this meeting. I should like to go back a little to the background of these meetings, to at least give you our impression of coordination of representatives of trade and even of producers and consumers. When these price regulations were brought out and based on Federal grades, we were convinced that there was a tremendous job of education to do in order for the groups to understand and to comply with the provisions in order that we might maintain the advancement we had made in marketing procedure for poultry. In Washington, OPA, Extension Service, Department of Education under the Department of Interior, FCA, FSA, met to consider these problems and tried to evolve a program that might handle the situation. The Regional conferences reviewed OPA price regulations and problems various groups were having in meeting these problems. Out of that came these State meetings. The poultry industry was a very elementary industry in the last war - very little organization. To help provide food this industry must be on a sound basis. Since that time the poultry industry has attained the position of a large agricultural industry. Our Trade Associations and hatcheries have all developed since that period. We now have excellent organizations or groups associated with the poultry industry to really do a sound job with this industry. We have not thus far had very good coordination with many of these groups. We now need all the available man and woman power we have and help of all of these agencies. We are endeavoring to get maximum cooperation of these agencies in these programs.

With reference to our viewpoints toward grading. There are some advantages, certainly to producers and consumers, I think we all recognize, in grading poultry products. In California they early valued the grading of eggs and so developed a procedure of marketing eggs and putting them in more uniform grades. Canadians, for a number of years, have had compulsory grading. Consumption of eggs in Canada was greater than in this country because of the grading. We consumers know the advantages of being able to identify certain quality products. These price regulations are based upon the Federal grades. I am quite certain there was no forcing people to adopt these grades, but OPA in developing their price schedules had to correlate those price schedules with certain specifications of the Federal grading of eggs. This represents in a way an opportunity for those of us who are interested in developing base stations for the consumer and producer. It also represents quite a serious danger if these regulations and the grades are not properly enforced. It is rather interesting in a way that there is an unfortunate result of the application of these price regulations at this time, before an adequate or fairly complete enforcement can be obtained, placing the patriotic and law-abiding citizen in a handicapped position. The people who are careless about complying





with laws and regulations are the ones who are getting the advantages. There have been two interests: a definite price schedule and to set a price ceiling at consumer level. In Britain they have done very largely that in setting prices to consumers. Britain is an importing country largely and the Government handles most of those commodities, and they have it in control. As things develop we are going to find what is confusing. Along the line of the philosophy back of development of these price regulations, (Mr. Buster then reads to the group a part of the Regulation No. 333 of the Office of Price Administration.)

All of us can use the 10-case egg purchase program to assist producers to get the available prices. I am not going to try to discuss the grades in detail as they will be explained at the meetings to be held in this State. There will be later meetings to consider these Federal Grades for eggs and poultry. Just briefly, these grades have been developed over a period of a number of years as a result of experience with eggs and based upon suggestions of trade and people working under this program. Also, these standards have been recently revised to work with the OPA price regulations, and even though many co-workers feel that they should be streamlined much more they have been streamlined as much as possible. The terminology has been changed from old special, extra, etc. to grade terminology of A, A, B, and C. This is the trend, as you possibly know, in many of the agricultural commodities at the present time. People in the trade have been inclined to resist this somewhat, but pressure is going in this direction and I think as it develops it will become very workable for people in the trade. Regarding trade names of packers, the OPA I am quite certain does not object in any manner to trade names being used in the commodities so long as they are identified by Grades, A, B, and C. (Mr. Buster then reads from the Order of Promulgation of Standards.) Most eggs fall in Grade A or B. In actual production we will rarely find any Double A eggs or poultry in this State. (Mr. Buster then reads from page 2 on U. S. Consumer Grades for Shell Eggs.)

The frozen grades are used for Government purchases for Army, Navy, Lend-Lease, etc. based upon specifications for individual eggs. The Department has worked out specifications for frozen eggs and standards for equipment, procedure, plants, etc. as an aid to people in educational work. We have a chart which illustrates the four grades of eggs - A, B, C, and D. It is now being revised and will be used before long. We won't really find Double A eggs or poultry here. The volume of it would be so small as to be uninteresting to the trade and handlers. In development of a program which I assume will be desirable if we can be of any assistance in any way we will be glad to do so.

#### ROUND TABLE DISCUSSION (Mr. White presiding.)

MR. WHITE: This morning we had talks about the OPA price regulations and price ceilings. Are there any questions you want to take up about them now?

MR. LONDON: This morning we discussed the question of putting grades on cartons of eggs. It appears to me that if it is desirable we could ask that that be done. Heretofore, we have understood that if they put it on





the case and then posted the price at the place of sale that would be sufficient. If advisable, we could require that particular thing to be done on a carton of eggs.

QUESTION FROM THE FLOOR: If you went to a refrigerator to get a carton of eggs, and you have several cartons in it, if the grade was on each individual carton, and then you could just pick up the one you wanted.

MR. KUMPE: My interpretation of the OPA regulation was that the price and grade must be on the container and also on each carton.

MR. LONDON: It says when the eggs are sold the grade and price must be on the 30 dozen egg case and then the price and grade posted at the time of sale. We have a lot of sellers in the State who go out into the country and assembling points and pick these eggs up and bring them in and grade them after a fashion. They sell these eggs customarily as loose eggs, and the retail seller puts them in dozen cartons and sells them that way, and you have a problem of providing the stickers and labels, etc.

MR. WHITE: Do they have to have a sticker on them or can they just be stamped?

MR. LONDON: Yes, they can be stamped.

MR. WHITE: In the average retail store where they come in in a case - if you really get down to making some spot checks on your price ceilings and grades and you go into a retail store and go to the ice box and the man happens to have price lists in the front of the store, what will they go by? Just the price the man is asking for the eggs?

MR. LONDON: Possibly so.

MR. WHITE: A great many of the retailers mark prices on the cartons any way.

MR. LONDON: We have had a great deal of experience in price control during the last year. It is all right to weave in as many of these things as are necessary to make it work, but beyond the point of making a price work, I don't think we should go too much into how it is done. If it becomes necessary to put the grade on the carton I think we should do and will do it. I would rather not require that though unless it is absolutely necessary.

MR. WHITE: In the other State meetings they have been talking consumer education programs. It was pretty generally the thought that you could tell a housewife she is supposed to get graded eggs at her store at certain prices.



QUESTION FROM THE FLOOR: I think it should be put on each carton itself, as they might get mixed in the refrigerator.

MR. LONDON: You think it would be better to put it on the carton itself then.

MR. BUSTER: Is it customary to have the grade and size on each carton the same as its label?

MR. LONDON: It will be more important in the time to come if the price goes up. The best eggs in this country are so called yard eggs. We know the yard egg is not necessarily the best egg, but housewives would prefer to pay an increased price for what they call yard eggs. They are assorted eggs and have not even been candled. You can put a carton of graded eggs beside a dozen of white yard eggs and many of the housewives would take yard eggs. The eggs are grouped into two classes by Arkansas housewives - cold storage eggs and yard eggs.

QUESTION FROM THE FLOOR: In what way will the new marketing program affect the classification of the yard eggs?

MR. LONDON: If they measure up to standards they would be classified as graded eggs - assorted.

QUESTION FROM THE FLOOR: Some of our stores handle government inspected eggs. I have seen customers confused about quality of eggs. What you speak of as yard eggs is what is obtained direct from a producer. If these grades are put into effect then our big job is in consumer education as I see it in acquainting the trade with values of commodities.

MR. LONDON: One of our better merchants in town handles Wonder State Eggs, which is a yard egg. When this grading program first came to the front he was going to try the graded egg. This store actually made a try-out. Some of you housewives might be interested enough to contact him to find out how it came out. We will have to educate people to believe that cartoned eggs are just as good as yard eggs.

MR. KUIPE: I think the new terms of grades will be a lot easier to use by the housewife than they were formerly.

MR. LONDON: We have set up our egg prices by grades and are ready to go along with you.

MR. WHITE: One of the first jobs that will have to be done is an educational job to consumers on grades and what the grades mean. One reason in the past it has been difficult to talk grades to consumers and get them interested in it is that the terms were difficult to understand for the housewife. One of the things about the situation now - it is going to be easier because the grading system has been shifted over to the same use of letters as canned goods, meats, etc. now. I think the same thing is true on poultry. This is the first time we have had a system of grade designation that was simple enough to get over to make it stick. This question of whether or not the cartons should be marked with the grade and the price



is something perhaps that we might ask our committee, which we hope to have on consumer education, to study..

MR. SPILLIN: I have just been to a meeting this morning attended by about 60 consumers and we are setting up price panels in each price and rationing board. Each panel is appointing a group of price panel assistants. The principal functions of the price panel assistants will be to get information to the retailers. The O.P. Program is by and large being turned over to the people of the United States since you have got to run this program if you want to have price control. I gave the sixty housewives a list of the prices, one of the first items on the list was eggs. The first question we had on eggs was "How can we tell the difference in Grade A and Grade B eggs?" Well, I said it is supposed to be posted. If it is loose eggs it is supposed to be posted right beside them. My thinking would be that it will be well to post the grade and the price on the carton from the reaction I got from the consumers. We should go a long way in putting prices and grades on cartons - consumers want to have something they can look for.

MR. DUHLAP: Mr. J. O. Kumpe of the Arkansas Extension Service, who has probably been more closely associated with the Egg Grading Program in Arkansas than anyone else, is prepared to explain how the Federal-State Agreement works. - Mr. Kumpe.

MR. KUMPE: I probably realize the problem that we have right here before us a little bit more than I did a year ago. About this time a year ago the Extension Service was interested in working out some market outlets for some commodities and eggs was one of the commodities. In working out a market outlet for eggs it became evident that we were going to have to put our eggs on the market with other states. We had seen some adjoining states that were using the Federal-State Program very satisfactorily. I want to explain that Program a little bit. The Federal-State Program is a three-way agreement in Arkansas and in most states it is a similar agreement. This particular agreement will give any dealer or any farmer or group of people the right to use Federal grades. This has not been true until the first of August, 1942. This particular program has been a three way program in Arkansas.

1. Food Distribution Administration - on Washington level. They have charge of the grades. When any grade is changed the Washington Office makes that specification to change. They agreed to supervise the grading work in Arkansas, and that they would give the Extension Service a little financial support to get this thing on a paying basis and they would help us with supervision and inspection work that Extension might be up against.

2. Arkansas Livestock and Sanitary Board.

3. Extension Service - They agreed to do the educational work. Training





folks to grade eggs and teach producers how to handle eggs for high quality. This agreement went into effect August 1, 1942. So far, we have four stations that are buying eggs from producers. These stations are located at Little Rock, Fort Smith, Texarkana and Camden. With demand coming on for graded eggs we have had more demand for requests for applications than we can fill. We have twenty-one additional applications on file now for graders, but when we make the trip down to install the grader they say "we are going to wait until next week. The OPI will have out their requirements then." We held nine district schools in 1942 and invited Extension Agents from that particular area, Farm Credit Administration people, Farm Security people, Home Economics Teachers, and dealers and producers. At that time we explained the Federal-State Program and did some educational work to get the thing started. Following the District Schools we had two State Schools for dealers and producers in which we had about 72 people who took the entire course and made a passing grade. On January 2, 1943, they changed the regulations and it became necessary to bring out these changes. This time we had 10 district schools in 1943, and to these ten meetings we invited the County Agents and Home Demonstration Agents and gave them one day training, with the idea and material for them to hold schools in the counties for the trade and for the producers in order that they may be able to meet the requirements. We plan to have three schools this summer. We want to locate those in Little Rock. We want to have one in June, one in July and one in August if necessary to get all those people who want to attend to know how to grade eggs on official standards, to do so. We conducted a school for the FSA project managers and Home Supervisors. How can a dealer out here or a group of farmers take part in this Federal Egg Grading Program?

1. Make application for grading service.
2. Trained personnel is secured: a. Employee working for that concern who has already taken grading training. b. Local person. c. Sent in.
3. A contract is made.
4. Arkansas Livestock Board will bill these firms the first of each month.
5. The payroll is made up the first and fifteenth.

Mr. Santo of the Regional Office and I have worked out a system where grading can be put on a part time basis.

QUESTION FROM THE FLOOR: Suppose you have a man on commission basis or part time?

MR. KUMPE: We will make a contract on actual percentage of time put in.

QUESTION FROM THE FLOOR: Mr. Kumpe, what do you mean when you say you can control grading of eggs?

MR. KUMPE: The person who determines the grade is a licensed grader. Egg grading is protected by bond. A bonding company would have to pay the bond if a grader violated.

QUESTION FROM THE FLOOR: How much bond is required?



MR. CARLSON: \$1000.00.

MR. KUMPE: OPA requirements for eggs going to consumers must be labeled or graded. If an egg has not been graded and is an edible egg not containing more than 20% dirty, etc. it will be classed as an assorted egg and they can label it as an assorted egg, under a ceiling for that particular grade, which is the same as for C grade. Yard eggs would be classed as assorted.

MR. MCCLINTOCK: There are three different ways of marketing eggs.

1. Drying Plants. 2. Retail or wholesale dealers - now both of the above do not require grading. 3. Government graded eggs. In drying all they want is weight plus quality. Eggs can not be bought by FDA until graded.

QUESTION FROM THE FLOOR: How is the best way to put grading service at disposal of small producer.

MR. KUMPE: Through the Cooperatives would be the only way.

MR. BUSTER: Has work been done on an inspection fee basis?

MR. KUMPE: All points that have been set up have been under grading service.

MR. BUSTER: You contemplate that being done.

MR. KUMPE: Yes.

MR. BUSTER: Do the OPA regulations require that all eggs should be graded in the same manner as No. 3 shown above except not carry the U. S. prefix. So when you do the job of consumer education all eggs will be graded U. S. A., B, or C, or just plain A, B, or C. As soon as OPA starts enforcement of grading of eggs and labeling will you be able to conduct grading schools to train these graders so they can operate as official or non-official?

MR. KUMPE: Yes.

QUESTION FROM THE FLOOR: If a country merchant buys about  $1\frac{1}{2}$  cases a week what can he do about getting them graded?

MR. KUMPE: He could go to one of these schools and learn to grade the eggs himself. Then he would be responsible, or he could sell them as assorted and not charge more than the assorted price. If he grades them himself he can charge what the ceiling is for that particular grade but he cannot prefix the grade with U. S.

QUESTION FROM THE FLOOR: If sold as assorted eggs under that price bracket then they would have to conform to the regulations for assorted eggs.

MR. KUMPE: Yes. They must meet these specifications. The person who puts the grade on is responsible. If OPA goes into a store and finds eggs graded incorrectly, the grader is responsible.





MR. WHITE: Is it not true under the OPA regulations anybody that sells eggs must have some knowledge of the minimum requirements? Everybody that sells eggs needs to know something about this to keep from violating OPA regulations.

MR. KUMPE: Yes, I brought that out.

MR. BUSTER: There are certain exemptions to those price regulations. An assembler may sell to a retailer for candling.

MR. WHITE: One of the things I wanted to ask you is from the grading experience you have had here in Arkansas, about what percentage would you say you produced in the way of eggs as AA, A, B, and C.

MR. KUMPE: We haven't been using AA grade. We have brackets set out with AA and A in one group, B in another, C and D in another and dirty and checks and leakers in one.

MR. WHITE: Using 1000 eggs as an example, what percentage would grade out as Double A.

MR. KUMPE: About 25% are AA or A - about 50% B, and then out of the 25% left they are mostly D.

MR. WHITE: Suppose you got a lot of requests for grading service?

MR. KUMPE: We have four stations set up in Arkansas, and we have 21 more approved, and have approximately 70 odd people who have already been in school. They represent almost all of the counties. I believe in 30 days time we can have someone trained to grade eggs in every place that would make application.

MR. WHITE: In other words, you can actually deliver the goods when people ask for grading service.

MR. KUMPE: Yes, they all say they are waiting for OPA to make out their regulations.

MR. WHITE: The incentive to the farmer is not to comply with OPA regulations but to get a higher price for his product.

MR. BABER: You have a price ceiling of 27¢ for assorted or run-of-the-mill eggs.

MR. WHITE: The advantage of having U. S. on the eggs is simply this. It is the same thing with other commodities - when these eggs start moving interstate and a man has bought eggs and sold them to New York, for instance, and the man is an unscrupulous dealer and failed to pay him for the quality eggs he sent up, if they are Federal Graded eggs, this Federal certificate is admitted as prima facie evidence in any court as evidence that they were Federally graded eggs. That is one of the nice things about having the Federal stamp upon them. In addition to all other things we have talked about including the fact that our discussion on grading at this time is resulting most recently from OPA price regulations, there is a long term



advantage in developing a long term program in the State, that is, after this war is over and the demand goes down. If, in the meantime, Arkansas has built up a reputation for quality eggs then you will have no such thing as people saying Arkansas eggs are no good - which is more or less a prejudice based on some several years ago. Now is the time to build up a good reputation so that when the war is over and market demand goes down you will come out of this thing with a good reputation for having a quality product.

MR. KUMPE: We have just recently started to sell eggs to Camp Robinson. Grading is primarily to help make market for Arkansas eggs and not to meet with OPA regulations.

MR. DUNLAP: Looking back over the day you can sum what we need is a constructive education program not only for the producer, distributor and middle man, but for the consumer. I do not know any better time to start that going.

MR. KUMPE: I think we should have two committees. One on the consumer angle and one on the producer and dealer angle. I think our consumer problem is going to be our worst right now.

Tuesday, May 11, 1943 - 10:00 A.M.

MR. WHITE: Mr. L. C. Baber, Executive Secretary of the Arkansas Chain Stores Council will speak to you on "Reactions on Maximum Price Regulations and Poultry and Egg Grading Standards."

MR. BABER: I am going to approach the matter from what I consider a constructive point of view. The retail trade in Arkansas and particularly that phase of retail trade which I represent is very highly impressed with the maximum price regulations from a great many points of view. Maximum price regulations have caused one thing to which we have all been working for a great many years, and that is, a higher quality of commodity in distribution channels. We are going to consider principally the poultry and egg feature of distribution and marketing but let us think just a minute in general of maximum price regulations. As you know we have price ceilings established in line with the efforts of the administration at the present time to stabilize prices and prevent an inflationary condition which might make for a disastrous result after this present emergency. It is necessary for retailers to bear in mind that they must sell under a price ceiling for most commodities. The highest quality product is going to be marketed. I have always said that the best graders are the housewives who shop daily. Purchases to a large extent are going to be based upon a high quality commodity. That is the result of price ceilings. We have forced handlers to handle the very highest type of commodity. That has stopped up consumption. With respect to eggs there are several seasons during the year when consumption goes down, with an increase in eggs and decrease in quality. Whether we



recognize it now or not maximum price regulations are going to have a splendid effect and a far reaching and permanent effect in merchandising. Price regulations have to a very great extent eliminated many hazards in handling of highly perishable products, such as fruits and vegetables. Merchants are now coming into the state that have never before. The reason for this first, we have our Government price support program. In this whole process there has come out a rather fair feeling with respect to handlers. I think it will have the effect of demonstrating to you the possibilities which we have for bringing organizations and agencies, educational, Governmental, and commercial into formation for a long lasting system of marketing here in this State. I will say that from the standpoint of the commercial handlers, they are looking rather favorably upon this job of maximum price regulations. I am sure you remember the years 1930-31-32-33 when we had serious repercussions following the emergency period of the First World War. We are anxious to cooperate in every program that is designed to forestall that condition again. I can assure you you will have our 100% cooperation in this program. With respect to egg grading standards that is a long felt need on the part of merchandisers. I think that companies have realized the advantages in merchandising eggs by grades and some of our companies have attempted to do that. I believe you will find that in our type of store we have used cartons of eggs probably longer than any other type of merchant. Our customers have come to realize that carton eggs are not necessarily cold storage eggs. If there is any one thing that will increase production and consumption of poultry and poultry products it is grading that will offer high quality merchandise on the market.

This program will continue after the war. Here we have the opportunity in Arkansas for founding the best marketing program that we have ever had. Under the whole thing we have a guarantee from the Food Distribution Administration for a support program for those products of which there is a surplus. We tell the farmers if they will take this new program of marketing we will stand by them. I can say to you that I am very enthusiastic about this whole thing. We will have some reactions to the contrary, of course, but in any program that is worthwhile, we will find it necessary to set our procedure together and adjusted but still not lose sight of the importance of a program of this kind. The trade has attempted to work out this thing on quality egg products. We have not done much. The gentleman who spoke yesterday about the grade of eggs, one as yard eggs which is what he thinks represents as an attempt on the part of our stores to get better production. We have tried getting contracts direct with established producers who are known to the trade and who will carry out contracts. That has not been very satisfactory because that type of program has not protected the producer. Let me get out here and become associated with a company under contract of 35 or 40 cents a dozen on a





yearly basis. I am producing high quality eggs. It won't be long before producers around in my neighborhood will be soliciting just as soon as general market is below level to make it conducive for that man to do that. I see in this thing a possibility of eliminating that condition. We have tried several ways in the State to get this quality egg. One way was down at Star City. The County Agent and other agricultural workers and some of the merchants were very much concerned about the low quality of eggs. The reason why is that one of our local merchants bought ninety cases of eggs one month from one farmer and had them brought into a central warehouse where they were to be graded and one particular case ran 80% in the U. S. trade bracket, a large part of them were rots, not fit for merchandising, yet we were selling for a bunch of people who expected us to move their eggs. We were anxious to buy eggs and were very much concerned, as that is one of the commodities we retail. We put on an educational campaign down there. We used cheese boxes to show people how to make egg candlers out of them. We started buying eggs by grade. We got farmers working toward a better quality egg by using better production practices, giving a most favorable result. The farmers then said that you are not giving us enough for this better quality egg. So we proposed to pay 3¢ above market prices for quality eggs. The proposition came up of what was market price. We had great difficulty in arriving at proper differential. They then decided no merchant should buy directly from a farmer. They said "that we need here in this town is an egg exchange". They worked to get a railroad man who was buying some eggs to be the designated representative to get him to buy all eggs that came to Star City according to grades. We said we would cooperate and all other merchants did likewise. I understand that the Arkansas Central Cooperative has taken that over and is carrying the plan forward. The railroad man will be a licensed grader who will buy all eggs from the farmers. Then merchants will purchase eggs from the railroad man. Then the surplus that the community cannot absorb will be sold according to grades to markets where there is a demand for them. I think the enforcement of price ceiling for different grades of eggs and the marketing egg purchase program offers possibly the best hope of any effort that I have seen up to now. That is my personal reaction. I think it is up to all of us to put our 100% support in it and see if we can develop from it a marketing program which will mean much to the consuming public of Arkansas. Do not forget that poultry and eggs represent a considerable portion of the cash income in Arkansas. Do not forget that this is of considerable economic importance in Arkansas. It is selfishness on the part of the retailers to standardize the marketing of these commodities. Take poultry, we have two counties that produce on an average of 14 million broilers annually, at 50¢ a piece makes 7 million which would exceed the cotton crop income for Arkansas. This thing is of economic importance and I am enthusiastic about it and I think the stores I represent are also enthusiastic about it and you will receive our 100% support.

MR. WHITE: The next speaker will be Mr. Sam Moore of the Extension Service.



MR. MOORE: Our program in Extension work is largely determined by the producers. We have always attempted to outline our program of work in keeping with the demands of the producers themselves. We are concerned with the poultry products. And the work that we do is the work on those problems where the producers have indicated that they need some work. We have made the foundation for the basis of our program - poultry breeding, the major phase of the work, inasmuch as we felt there was a need for considerable improvement in breeding and improving the quality of the flocks on the farm, before we could make any improvement in productions and marketing and other phases of poultry. We have worked under the National Poultry Improvement Plan. This program constitutes some phases of disease control and have worked with producers on the elimination of disease. We will talk some about the feeding problems facing us. It is much more important than ever before and I shall attempt to outline the program of poultry feeding under which we can continue to get maximum production through the available feed supply. More attention has been given by the producers to the marketing problem and we have given the poultry problem a better place in our program. We have set up our facilities for working with the Federal Grading Program. From the producers standpoint his benefit from the grading program is very limited, if this program stops in the sorting of the egg. It is only through improvement of the egg reaching the consumers that the producer is going to receive the maximum improvements from the program. I consider it essential to go along with an educational program with the producers as to how they can improve the products they are selling. (Mr. Moore then reads from booklet "Better Eggs Mean More Money"). We consider the Federal-State Grading Program as our head marketing program. We have other programs that do not affect eggs. I feel this way - that the Federal-State Grading Program and all its implications in marketing of eggs is strong enough to stand on its own feet. We are heartily in favor of having price support program.

The Price Support Program can be called a failure when and if we have to buy eggs to keep it functioning, however, a complete success when one does not have to buy eggs. I have found in meeting with the handlers and producers that in many cases they are confused in the different programs we have. They are confused between the poultry price support program and the Federal-State Grading Program. I feel that if we are going to conduct a Federal-State Grading Program, our educational program should come first. In some cases the confusion between these two programs has delayed the Federal-State Grading Program, because they felt they should wait for the poultry price support program to start before they went into the Federal-State Grading program. Our educational program should differentiate between the above two programs. We have had the same confusion caused by the OPA price regulations. As example: we had organization about ready to function in grading of eggs and word got to them that OPA regulations were not going to be enforced for 90 days, so that program stopped until OPA started enforcing regulations. We have heard that educational work is necessary and essential before the OPA can do the best job of enforcing their regulations. I sometimes wonder if we can't look at that the





other way. I can see no way we can go on an educational program and hold our own with the people if we are taking over the regulatory end of it unless the O.P.I. actually does carry out the enforcement which has been described.

MR. BUSTER: Mr. Moore and Mr. Baber's talks called something to my mind regarding the future welfare of marketing poultry products in the State of Arkansas. I recall hearing leading producers express concern regarding periods when prices of poultry products would go quite high because of detrimental consumer reaction. The problem with respect to marketing eggs has not been very serious during our period of high production. We are going into a period very shortly when the problems of egg marketing will be similar to meat. We will have a problem facing us during the next five or six months in the poultry industry from the standpoint of undesirable high prices and black markets with eggs.

QUESTION FROM THE FLOOR: We do have a State Nutrition and State Defense Committee. Miss Connie J. Bonslagel is Chairman of this committee. This subject that we are discussing on poultry and eggs would be just one phase of the committee's work. We have done considerable work in that field during the last two or three years. We have found that consumers are very interested.

MISS KEYS: I think it is a matter of education. We do have a few chain stores that have grade labels, for their foods. The few people who know what grades mean have had no difficulty in getting the product they want. It is a matter of knowing what the grades mean. People are willing to pay extra prices for eggs to get what they want when they know what the grades mean. The majority of people are not educated as to the meaning of the terms, and it will be a pretty big job but will be worth the effort.

MR. WHITE: Do you think if people were told about the grades that they would be glad to buy them?

MISS KEYS: I think we should educate the consumers at the same time as the trade. Consumers have the feeling that store managers are trying to put things over on us. The consumer wants the best he can get for his money. I think it is rather interesting to see the difference in the attitude of the consumer and the seller because when we first began our consumer education we had the feeling we worked at it from the wrong angle for a good many years. Now we are beginning to ask the question from the seller why do you sell in this way? Of course, the seller has problems now.

MR. WHITE: I think we can sum up what you said that you think we should educate the consumer at the same time as the trade. Miss Brantley would you say a word about the consumer's attitude toward the grading of commodities?



MISS BRANTLEY: I feel that the consumers are ready for such a program. Some work has been done. I find the people are quite receptive. I think there should be a lot more education. There should be education with the consumer and seller at the same time. I feel the consumer is becoming more and more interested in the products he buys.

MR. WHITE: Could we hear something from you people from the FSA?

RUTH GRHAM: I agree entirely with Miss Keys and Miss Brantley with regard to consumers. I think consumers are ready for a more definite grading system. They would like to have the grade on the container. The consumers would like to have a good grade and are willing to pay more for it if they know they are good. We are ready for it, but we need a lot of educational work done.

MISS KEYS: I would like to relate a little incident that happened at the Curb Market last Saturday morning. A lady was selling her eggs at 48¢ per dozen. A consumer said they were too high. The seller said that she could get that. The consumer said I don't want to pay that for them, so she went across the aisle and paid 3¢ cheaper for some eggs and thought she had done something. The lady who was selling her eggs at 48¢ a dozen had sold out long before the others.

MRS. OWEN: I think the problem, as Miss Keys stated, is to carry educational program right along. So many of our people do not know these facts and we find when we go to the market that the best things move off more rapidly. I think our people are ready for the educational program. The people are ready for quality merchandise, but they want to know for what purpose and that they are graded. I think the grading will help a low-income person by getting him a better grade egg that will meet his needs for the amount of money he has. I think the advancement we have made in nutrition and marketing problems since the war has gotten our people to talking. I think we should keep at the work.

MCCLINTOCK: I find the farmers and producers feel like and know that they have to have something, need something and want something. I don't think it is going to be very hard to teach them to market eggs and other products because they realize they are not getting full value for their products, and are just waiting to be told how to do it. Also I think the consumers are ready, because most of them have more money than they ever have had, they are ready to buy number one articles of anything. I think when you get both sides educated and make them understand that there are standards and qualities and know that there is a high grade and that the quality is there that they both will go into it faster than we think. They are just sitting and waiting and are ready.

MR. DUNLAP: You think then that everything is ready right now to hit it.

MR. MCCLINTOCK: Yes.

QUESTION FROM THE FLOOR: There is an Office of Civilian Defense in each county who has set up a block system and they are teaching consumers



points of rationing and teaching them also to read labels. I think our consumers read labels a lot more now than formerly and I think that consumers generally are ready to know just what they are paying their money for.

MR. DUNLAP: It is hard to educate people on graded eggs. I have had a hard time educating my own family, however, my family has recently learned the hard way. I think it is a little more difficult than we realize on the surface.

MRS. LANGFORD: From a consumer's standpoint, I have learned to buy a graded egg. I like the idea that the people in the low income brackets can get a better grade egg for their money.

MR. BUSTER: That is one point to look forward to. I like to see you people bring up things that might develop. Of course, the important thing in grading of eggs is removing the inedible eggs. During flux economic conditions there might not be a demand for Grade AA eggs in proportion to desire of producers to get that top quality. Grade A and B eggs can be used for all types cooking, while Grade C eggs would be for cooking altogether.

MR. DUNLAP: Here is Miss Alma Keys, who we feel is so well known that we did not feel it necessary to put her down as belonging to any particular agency. Miss Keys will talk about "Home Economics Contribution to Consumer Education."

MISS KEYS: As I sat here this morning and listened it seemed that the Home Economist must be in on more of these meetings and understand more of your problems and you understand more of our problems if we are going along together. I would like to point out some of our problems and the biggest job we have today is that of helping people to recognize their consumer problems. Our problems are so different today from what they were yesterday. There is so much confusion due to the large number of regulations issued through radio, newspapers, and so many Government Agencies. One of our most important problems is to help people to see and understand what their part is in that confusion. We are all going to have to work together. I was a little provoked at a radio program the other evening, where the commentator said people liked the rationing system - "It is so comforting to know you are eating the same food as the Roosevelts, Studebakers, Rockefeller, etc. ". I believe we should like for our people to understand consumer problems as they are related to themselves. This "can't" problem - people should not be told "can't's". Explanation of regulations should be given. OPA should say we instead of you, as to what we can or can not do. Attitudes and feelings enter much more than rules and regulations. We have to have regulations in time of war. However, in time of war it is necessary to help people to see that these can't's are for their own use in helping solve





problems. The majority of us feel that it would be easy to teach consumers to use graded eggs, yet we find that it is not so easy to do. What we must recognize as professional workers is that we understand a program. There are so many people now in various agencies, doing so many things, we should recognize that the people have not come as far in understanding the programs as we have. In our own projects, do we use the information that we know ourselves? It is much more difficult to do than to say. I think some of our problems as Home Economists today is to teach the people the need for rationing, and make them understand something about how this works, and we are hoping to help consumers assume responsibilities in carrying this out. It is no easy job to change people's ways of living. I think we are making very rapid changes on the surface, but when it comes back to the family the changes are very slow. This change is a slow process. Our responsibilities are to help the people recognize the problems and then work hard in the solution of these problems. Our responsibility is to help the people understand the regulations and work within these regulations in an orderly way. I imagine that most of you received the same thrill I did when you read of the way the American boys treated the Germans. We understand what we are working toward, especially those of us that are in the Social Field. It is a very slow field. I think in war the things we are working for now will go so much faster than these things would in former times.

MR. DUNLAP: At the time we drew up the Program, Mr. Smith was out of pocket. After looking at his size, I know you wonder how he could get out of pocket, but he does. At this time we would like to have a few remarks from Mr. Fred A. Smith, Director of the State Department of Vocational Education.

MR. SMITH: We are living in a changing world. We are all trying to do the right thing but we don't know what the right thing is. When you get prices up in order to have a living wage for farmers, retailers and wholesalers, the consumer still has to have a price he can pay. Whoever did the job on poultry did a hell of a job, but whoever did the job on eggs did a good job.

QUESTION FROM THE FLOOR: One of our large producers in Pope County just does not have any more broilers to sell.

MR. MOORE: There is the same thing in Northwest Arkansas.

MR. SMITH: There has got to be some adjustments made on poultry. We have got to get the thing down to earth. As we get into this business it is getting so awfully heavy on all agencies you find yourself at so many meetings that all you do is sit in meetings. I just came back from a Regional Conference in Dallas on eggs and poultry. I wonder if we have made any progress on things since that meeting.

MR. BUSTER: Yes.



MR. SMITH: As you fellows find these rough spots report them to the proper channels and they will be straightened out. As to what we can do on a constructive basis, I hope the day will come in Arkansas when we will have a market place for every farmer where he can take and get his eggs graded and can be paid a premium for those that are good and be penalized for those that are not good. I am sure your respective agencies are just as willing as ours to do our part. We have made a lot of progress on egg grading. If we can help in the 270 centers where we have educational centers we stand ready to get out and bring to the people the type of training or information it takes to get this job done. I know FSA, Extension Service and various other groups stand ready to do likewise. It looks to me like the egg situation is going splendidly. I wonder if we can get it going a little better. On the poultry situation there has truly got to be an adjustment, and as time goes on the farmers and people will make those adjustments and if people do not do it Congress will. It looks to me like we will have some different setups in pricing agencies. In conclusion I think we all stand ready to do whatever we need to do in Arkansas. As to what we need to do, it is up to the individual agencies to get their heads together and plan what is to be done and then do it. I don't think that any one of us knows exactly what it is but surely by trial and error we can work it out. We in Vocational Education stand ready to do our part.

MR. DUNLAP: Jim McClintock, you haven't had anything to say yet, why don't you give us your opinion on this?

MR. MCCLINTOCK: I have been yelling that people work more closely and haven't gotten anywhere. You have all acknowledged that you have to have some agency to do the work in marketing of eggs and other things. The Arkansas Central Association is incorporated under the laws of this State. We have ninety affiliated associations that have stock in it. Our board of directors have nine farmers from the different sections of the state on it. The county boards have about five. The FSA sponsored it and we borrowed a little over 13 thousand dollars to use for the first few months expenses. It looks to me like the time is ripe now for all agencies to use us as a marketing agency and at certain times of the year as purchasing agency for all farmers. I want to offer our services in doing this. I consider myself as working for the farmer. We are ready to go to work for the farmers with you people's help. We have an organization set up whereby we can be of a lot of assistance to you in this problem you have. I think by working together that we can get the program established.

MR. BUSTER: I want to say we feel all the comments at this meeting have been definitely constructive. You speak about progress out of these regional conferences. A number of the suggestions regarding the O.R. price regulations were incorporated by them as you may have noticed in Amendment 3. I would like to make observations on Mr. Smith's comments that price schedules on eggs were very good but on poultry not so good.





From the standpoint of parity, poultry prices during the last few years are relatively higher than eggs. We have been going through the difficult period of short supply on poultry. You may feel that the basis of schedules on eggs for the next few months may not be so sound.

MR. MOORE: I would like to say this about difference in egg price ceilings and poultry price ceilings. There is a difference not in actual prices but in way regulations are tentatively to be enforced. Poultry price ceilings are putting those people out of business that are abiding by the regulations. The primary difference that I see between structure of egg price ceiling and poultry price ceiling is that eggs are controlled at retail level and the price of poultry is controlled all the way down the line. Some people are selling poultry at ceiling and going out of business.

MR. SMITH: I would like for this to be sound.

MR. DUNLAP: I think we could call for a change. There is one point Miss Keys brought out in her talk this morning, but I don't think she stressed it enough. We have for years dealt with the School Lunch Program and we know one of the best educational methods is through Home Economic classes and school children. I think that is something we should give very serious consideration to, proper education through the school children to the parents.

Afternoon, Tuesday, May 11, 1:30 P.M.

MR. DUNLAP: At this time Mr. White is going to give us a "Suggested Outline for Educational Program on OPA Regulations and FDA Grading Standards."

MR. WHITE: In going through this I am going to try to do a little reviewing of the meeting as we go along. I am going to try and summarize it. As Mr. Buster brought out yesterday in his talk, this meeting really started in Washington with the meeting together of representatives of certain agencies up there, for example, the FDA, FSA, Department of Education, Extension Service, OPA, etc. It was decided there that it would be a good idea or was necessary and desirable to have a coordinated educational program, among other things that were taken on down to the consumer level on certain things, those certain things were OPA regulations on prices, and FDA grading standards.

It is a pretty touchy matter for a person representing one group to plan things for another group to do. At the Regional Conference the FDA was asked to take the lead and help state conferences work out plans to go ahead with this program. In the past the situation seems to be - here are a half dozen or dozen State and Federal agencies and state and local organizations who are interested in doing just what we have been



talking about the last two days. That is, an understanding of the work that you agencies have already done and have been doing for quite a long time in order to promote better production, better quality of your eggs and poultry. These things are really fundamental. I do not think these meetings have injected anything new at all. This meeting has tried to inject a coordinated movement insofar as educational work is concerned, it has utilized every agency and medium to get this word out to the people who ought to have it. There is no desire, as you know, to have one thing covered any more than another. The principal job is - we are in a war and on account of the complex way in which we are living nowadays you can hardly talk about anything without getting a lot of groups into it. The main thing is to get information over to the people who ought to have it. What we have on the board is really something that has come out of two other state meetings and the meeting with the committee last evening. 1. It seems necessary to have an objective; 2. Who you are trying to reach. We are trying to reach consumers, producers and handlers; 3. What to use to get that information to them - OPA, FDA, Extension Service, State Agricultural Colleges, etc. There are more than two million people in 75 counties. We are working to have some sort of organization to do the planning. (For specific details on objectives and suggested organization, see sheets attached.)

I would like to talk a little bit about the job to be done. I want this to be taken as suggestions. Sub-committees are very important committees. They are the committees where the work will be done. Their first job is to figure out what that committee should do. We do not have any outline that has been set down by Washington or the Regional Office. It is up to the committee to see what it should do and how they are going to do it. I think the proper place for this committee is that it is one of the most important committees we have. The consumer committee should approach the problem from the standpoint of what will the consumer want to know? What are they interested in? We will take up things one at a time. Take OPA, for example, the consumer, in connection with eggs, if the OPA as a part of their program said that each carton of eggs should have the grade and size marked on the carton, then I think that would be one of the things you would want to tell the consumer. I think if that were done and impressed upon the consumer, it would get it done a lot better than a staff of 50 or 100 investigators trying to force it done. First, we have been talking about grades. We talked about the fact that there was a lot of confusion about grades. I think that something the consumers committee could do is see that all eggs are supposed to be graded and that Grade AA means best, A second, B third, C fourth. I suspect it is true that most of the eggs that are offered are probably Grade B, and I think you might point that out. That is about what the consumer could expect, and that B and C does not mean that they are not as good nutritionally as the Grade A or AA. You do not want to leave the impression, necessarily, that Grade C eggs are so poor they should not buy it. By the time eggs have been graded with AA, A, B and C they will have thrown out the inedible eggs which are the ones that they should not buy. The second thing is how are you going to go about telling them? Picking up from some of





these meetings - in Oklahoma, they seemed to think that through newspapers using Sunday features on Home Economics and nutrition, and radio stations having Home Economics features that have quite a following, they expected to be able to get information over to consumers through that. In Texas they have agricultural colleges in different sections in the State, and in those colleges they have Home Economics, Poultry and Nutritional Divisions. It is part of their work to plan District Radio Programs on which during the period of the campaign they would have a Home Economics teacher, who had quite a following, to present programs there. On grading I think you have got just as big a field. You would have to figure out the groups you want to reach. For example, they have been holding grading schools here and it has been primarily for producers and some handlers. It may be that they will want to hold some more, and it may be that they will want to hold grading demonstrations to show the people what is meant by an inedible egg. On the handlers, it may be that the consumers committee will want to have material prepared or want to have information sent out through the handlers group to retailers and ask the retail store operators to have something to say or put in their leaflets about grades and what they are doing on them, etc. On producers, that field has been covered pretty well already. Good work has been done but I have an idea that there are still plenty of producers in the State who have not been reached. They want to carry on further some things that have been done already. In most of the places they figured on about two weeks to get their information together, and another two weeks to hold educational meetings to train the county people and about a month to actually carry on the work in the county. That doesn't mean you will have to follow that schedule. You will find that there will be some counties in which there will be other work going on and you have to make adjustments. That is something that will have to be looked into. The State Executive Committee will work out plans about when you are going to have it, how long it will take and adjust it to people in the counties. The State Committee will be composed of the personnel of the sub-committees. The Executive Committee will be composed of the Chairman of each of the Sub-Committees.

MR. BUSTER: On "C" I think you should add grade standards to FDA's duties, as it is more important on county and community levels than Food Orders would be. Another point is on Extension Service - Grading. I wonder if it would be desirable to add procedure and grade labeling as topics they would cover.

MR. MOORE: I understood that FDA has no representative in the counties to carry on.

MR. WHITE: We have someone that can go as representative to these county meetings. Would you be interested now in hearing nominations for committees? (Mr. White then reads committees.) I would like to ask for comments from the group about this type of organization. Do you want to change it?





MR. MOORE: We have two programs as I see it. One sponsored by state and sub-committees. Another program going on down through the general state meeting on the county level. Your sub-committees are not going to participate in these county meetings?

MR. WHITE: Not as such. Sub-committees would work material up. I would say you would have meeting of state committee and have them confirm what the sub-committees have worked up. Then you have the frame work insofar as the state committee is concerned.

MR. MOORE: The function of sub-committees will be to work out the program for the district teams. Then let them give the plan to the county teams? Is that all the sub-committees do?

MR. WHITE: Yes, unless sub-committees want to have certain reports come back on how meetings came out.

MR. MOORE: I think the sub-committees should do more than just set up the works.

MR. WHITE: Well, take the grading for example, the sub-committee will work this program out. Most of the people on the sub-committees will be on the district teams, the same thing is true of the other committees.

MR. DUNLAP: You keep talking about district teams, if people are interested there, yet you are breaking your state committee down in at least four districts.

MR. WHITE: I think you will have to divide it more than that. You may want four different teams working simultaneously.

MR. DUNLAP: Yes, you would have at least four teams and probably more - the number the state committee decides on.

MR. MOORE: Has any thought been given to the time it will take for teams to get around over the state?

MR. WHITE: About the only suggestion we had is the district meetings, and you can hold district meetings within a two weeks period. I think the question you are really raising is whether the district team should go to the county for the meetings rather than calling district conferences. It will take longer for these district teams to get around to every county than it would to have the counties come in to about eight or ten district conferences.

MR. MOORE: I hesitate to make any suggestions, but I am just wondering if we are not wasting time in going out training people in counties when they already have the material, and if it would not be doubling work to go back there. I feel in view of the fact that the subject material is already out there we would be wasting what we already have if we don't utilize it.



MR. WHITE: I hardly know what to say other than that the sub-committees can handle it as they want to.

MR. DUNLAP: I would like to ask this question now - about how long after this session has it been a practice of states in other regions to have their state committee meetings?

MR. BUSTER: This is the first region in which I have attended state meetings. However, the other states were not as far advanced as here.

MR. WHITE: They have not been held yet in the other states, enough time has not elapsed for them to do that.

MR. DUNLAP: What I am driving at is the desirability of time before this state committee should be called back into session.

MR. WHITE: I would not call a state committee back until after the sub-committee has prepared their ideas on the thing, and then have your state committee meeting. In Texas, for example, they did not have enough FDA or OPA people to attend these district conferences. They picked out one man from each agency and that one man was going to hold about six conferences by himself. They were going to set up about 24 district conferences in Texas. They didn't have a chance to get graders to go in and attend each one. In Oklahoma, they had enough graders available that they were going to send a grader to everyone of these district meetings. They say they have enough that when they start holding county meetings they have a man that can attend each county meeting. When you get into Arkansas your conditions will not necessarily follow what they can do in other states.

MR. BUSTER: The Oklahoma program is very similar to the one suggested here.

MR. DUNLAP: It seems to me highly desirable that the executive committee, at least, meet in advance of any work of the sub-committees, and outline plans for them.

MR. MOORE: I think you are right.

MR. BUSTER: The thought occurs to me that the executive committee would not have any particular program until other committees have met and developed their material. As I recall, committee was called to present program to entire group for consideration. I think it has been a splendid program.

MR. WHITE: I certainly do want you to know that the FDA Regional Office has appreciated the opportunity to be up here and help to plan this. I feel that you have something here that will work out.

MR. BUSTER: I want to express appreciation for the splendid cooperation in working out a program.





## ARKANSAS STATE EGG AND POULTRY CONFERENCE

1. Objective - Disseminate information through coordinated educational program on: (a) OPA regulations and prices, (b) FDA grading standards.
2. Groups to receive information: (a) Producers, (b) Handlers, (c) Consumers.
3. Groups to disseminate information: FDA, OPA, Extension Service, State Agricultural Colleges, State Department of Agriculture, FSA, Vocational Agriculture, Producers Organizations, Handlers Organizations, Consumers Organizations, Newspapers, Radio.
4. Suggested Organization:
  - (a) State Committee, composed of personnel of sub-committees, Executive Committee in charge of sub-committees, Steering Committee for overall educational program.
  - (b) Sub-Committees: (a) producers, (b) handlers, (c) consumers, (d) grader training.
    1. Functions: Prepare subject material for Educational program at district, county and community levels.
    2. Plan District Meetings.
    3. Suggest plans for county and community meetings.  
(Should take about two weeks for this.)
  - (c) District Meetings - 8 to 10 one-day District Meetings over a two weeks period to be conducted by representatives of FDA Food Orders and Grade Standards, OPA price regulations and ceilings, Extension Service grading procedure and labeling.
    1. Function of District Meetings: Discuss objectives, plan county and community meetings.  
  
District Meetings to be attended by one representative of each county of following agencies: Extension Service, Vocational Agriculture, FSA, Producer Organizations, Handlers Organizations, Consumers Organizations.
  - (d) County and Community Meetings to be attended by county representative of groups attending District Meetings.
    1. Function of County Meetings: Plan and conduct educational program at county and community level.



ARKANSAS EDUCATIONAL COMMITTEE ON MARKETING  
OF POULTRY AND EGGS

William K. Dunlap, Chairman	Food Distribution Administration	Little Rock
Sam Moore	Extension Poultry Specialist	Fayetteville
Waldo Frazier	Arkansas Farm Bureau Fed.	Little Rock
Jeff Brown	President Arkansas Poultry Improvement Ass'n.	Springdale
Dr. J. S. Campbell	Livestock Sanitary Board	Little Rock
Paul Carlton	FDA Fed. State Supervisor, Dairy & Poultry Branch	Little Rock
J. V. Highfill	State Director, Farm Security Administration	Little Rock
Mrs. Custer Chafin	President State Council of Demonstration Clubs	Little Rock
Fred Smith	State Director Vocational Education	Little Rock
Robert Hall	District Director, OPA	Little Rock
E. B. Crane	Arkansas Farmers Cooperative	Fayetteville
Robert Smith	University of Arkansas, Poultry Husbandman	Fayetteville
Robert Wait	State Arkansas Bankers Ass'n	Little Rock
Ruth Graham	Farm Security Administration	Little Rock
	Associate State Director & Home Management Supervisor	
W. A. Johnson	Arkansas Democrat	Little Rock
L. C. Baber	Arkansas Chain Stores Council	Little Rock
William L. Humphries	Ark. Wholesale Grocers Ass'n	Little Rock
C. L. Mobley	Armour & Company	Little Rock
J. O. Kumpe	Arkansas Extension Service	Little Rock
Mr. Robinson	Handler	Springdale
Max Gross	Texarkana Poultry Ass'n.	Texarkana
J. M. McClintock	Ark. Central Cooperative	Little Rock
A. C. London	Office of Price Administration	Little Rock
Miss Connie Bonslagle	State Home Demonstration Agent	Little Rock
	Arkansas Extension Service	
Miss Alma Keys	Vocational Home Economics	Little Rock
Miss Mary Jane Scott	State Nutritionist, State Dept. of Public Health	Little Rock
G. M. Halfacre	State President, Arkansas Home Economics Association	Little Rock
Ella Hackett	President of State Federation of Garden Clubs	Little Rock
	Arkansas Defense Council	
	State Parent Teachers Ass'n	
	State Federation of Womens Clubs	



# EXECUTIVE COMMITTEE OF STATE COMMITTEE

William K. Dunlap, Chairman	Food Distribution Administration	Little Rock
J. C. Kumpe	Arkansas Extension Service	Little Rock
Miss Connie Bonslagel	Arkansas Extension Service	Little Rock
Sam Moore	Arkansas Extension Service	Fayetteville
L. C. Baber	Arkansas Chain Stores Council	Little Rock
J. V. Highfill	Farm Security Administration	Little Rock
Fred Smith	Vocational Education	Little Rock
Robert Hall	Office of Price Administration	Little Rock

## Wholesalers and Retailers Sub-Committees

L. C. Baber, Chairman	Arkansas Chain Stores Council	Little Rock
William L. Humphries	Arkansas Wholesale Grocers Assn.	Little Rock
C. L. Mobley	Armour & Company	Little Rock
J. O. Kumpe	Arkansas Extension Service	Little Rock
Mr. C. U. Robinson	Handler	Springdale
Max Gross	Texarkana Poultry Ass'n	Texarkana
J. M. McClintock	Arkansas Central Cooperative	Little Rock

## Producers Sub-Committee

Sam Moore	Extension Poultry Specialist	Fayetteville
Waldo Frazier	Arkansas Farm Bureau Fed.	Little Rock
Jeff Brown	President, Arkansas Poultry Improvement Ass'n	Springdale
Dr. J. S. Campbell	Livestock Sanitary Board	Little Rock
Paul Carlson	FDA Fed. State Supervisor, Dairy and Poultry	Little Rock
J. V. Highfill	State Director, Farm Security Administration	Little Rock
Mrs. Custer Chafin	President State Council of Demonstration Clubs	Little Rock
Fred Smith	State Director Vocational Education	Little Rock
Robert Hall	District Director, OPA	Little Rock
E. B. Crane	Arkansas Farmers Cooperative	Fayetteville
Robert Smith	University of Arkansas, Poultry Husbandman	Fayetteville
Robert Wait	Arkansas State Bankers Ass'n	Little Rock
Ruth Graham	Farm Security Administration, Associate State Director & Home Management Supervisor	Little Rock
W. A. Johnson	Arkansas Democrat	Little Rock





### Consumers Sub-Committee

Miss Connie J. Bonslagle, Chairman	Extension Service	Little Rock
Miss Alma Keys	Voc. Home Economics	Little Rock
Miss Ruth Graham	FSA, Home Management Dept.	Little Rock
Miss Mary Jane Scott	State Nutritionist, State Department of Public Health	Little Rock
Miss May Halfacre	State Pres., Ark. Home Ec. Association	Little Rock
	Press, Home Economics Press	Little Rock
	Radio	
Ella Hockett	Pres. of State Federation of Garden Clubs Consumers Division, of the Arkansas Defense Council State P. T. A. State Federation of Women's Clubs	
Ehrline Rowden	OPA, Information Division	

### Grading Sub-Committee

J. C. Kumpe	Extension Service	Little Rock
Paul Carlson	FDA Dairy & Poultry	Little Rock
Fred Smith	State Director, Voc. Education	Little Rock
Sam Moore	Extension Service	Little Rock
Dr. J. S. Campbell	Ark. Livestock Sanitary Board	Little Rock
Waldo Frazier	Farm Bureau	Little Rock
Max Gross	Texarkana Poultry Ass'n	
William K. Dunlap	Food Distribution Administration	Little Rock
J. V. Highfill	FSA, State Director	Little Rock
C. L. Mobley	Armour & Company	Little Rock
A. C. London	Office of Price Administration	Little Rock

